

ROBERT A. MUSIALA, JR. ESQ.
BAKER & HOSTETLER LLP
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Regulatory Counsel for Debtor

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re

CASH CLOUD, INC.,
dba COIN CLOUD,

Debtor.

Case No. BK-23-10423-mkn

Chapter 11

**BAKER & HOSTETLER'S MONTHLY
FEE STATEMENT OF SERVICES
RENDERED AND EXPENSES
INCURRED FOR THE PERIOD FROM
MAY 1, 2023 THROUGH MAY 31, 2023**

Hearing Date: N/A

Hearing Time: N/A

Baker & Hostetler ("B&H" or "Applicant"), regulatory counsel to Cash Cloud, Inc., dba Coin Cloud ("Debtor"), debtor and debtor in possession in the above-referenced chapter 11 bankruptcy case (the "Chapter 11 Case"), respectfully submits this Monthly Fee Statement for Services Rendered and Expenses Incurred for the Period from May 1, 2023 through May 31, 2023 (the "Statement"), pursuant to the *Order Authorizing Retention and Employment of Baker & Hostetler LLP as Regulatory Counsel to Debtor* [ECF No. 525] (the "Retention Order") and the Court's *Order Granting Debtor's Motion Pursuant to 11 U.S.C. §§ 105(a) and 331, And Fed. R. Bankr. P. 2016, Authorizing and Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [ECF No. 321] (the "Interim Compensation Procedures Order").

1 In support of this Statement, B&H respectfully represents as follows:

2 1. B&H was retained a regulatory counsel to the Debtor pursuant to the Retention Order,
3 dated and entered on May 5, 2023. On May 9, 2023, the Debtor paid B&H a retainer of \$50,000.00
4 (the “Retainer”) as authorized in the Retention Order.

5 2. B&H has endeavored to monitor and coordinate with the Debtor’s counsel in this
6 Chapter 11 Case to ensure a clear delineation of each firm’s respective roles in connection with the
7 representation of the Debtor in this Chapter 11 Case and to prevent duplication of services. The
8 professional services performed and expenses incurred by B&H were actual and necessary to
9 preserve and protect the value of the Debtor’s assets and estate.

10 3. B&H hereby seeks allowance and payment of interim compensation for services
11 rendered and reimbursement of expenses incurred as Debtor’s Court-authorized regulatory counsel
12 during the period commencing May 1, 2023 and ending May 31, 2023 (the “Statement Period”).

13 4. B&H submitted a prior application for compensation in connection with its
14 representation of the Debtor for the period of April 4, 2023 through April 30, 2023 (ECF Docket
15 No. 607) (the “April Statement”). A Certificate of No Objection to the April Statement was filed
16 with the Court on June 21, 2023 (ECF Docket No. 740).

17 5. For the Statement Period, B&H seeks allowance and payment of interim
18 compensation for fees in the amount of \$130,329.20, representing 80% of the \$162,911.50 in fees
19 incurred for services rendered during the Statement Period, and expenses in the amount of \$511.68,
20 representing 100% of the expenses incurred in connection with services rendered during the
21 Statement Period.

22 6. Attached hereto as Exhibit A is the name of each timekeeper who performed services
23 in connection with the Chapter 11 Case and the regulatory matters during the Statement Period, and
24 the hourly rate for each such timekeeper.

25 7. Attached hereto as Exhibit B is a detailed schedule of time expended by the
26 timekeepers who performed services during the Statement Period and a detailed schedule of
27 expenses paid during the Statement Period.
28

8. On the same date this Statement was filed, a copy of this Statement was served via electronic mail/notice on the following parties (each a “Notice Party,” and collectively the “Notice Parties”):

- a. Cash Cloud, Inc., c/o Ayala & Associates, 300 S. 4th Street, 16th Floor, Las Vegas, NV 89101 (Attn: Daniel Ayala; dayala@ayalalaw.com);
- b. Fox Rothschild, LLP, 1980 Festival Plaza Drive, Suite 700, Las Vegas, NV 89135 (Attn: Brett A. Axelrod, Esq.; baxelrod@foxrothschild.com); counsel to Debtor;
- c. United States Trustee Tracy Hope Davis, 300 Las Vegas Boulevard South, Suite 4300, Las Vegas, NV 89101 (Attn: Jared A. Day, Trial Attorney; Jared.A.Day@usdoj.gov);
- d. Seward & Kissell, LLP, One Battery Park Plaza, New York, NY 10004 (Attn: Robert J. Gayda; gayda@sewkis.com; Catherine V. LoTempio; lotempio@sewkis.com; Andrew J. Matott; matott@sewkis.com), and McDonald Carano, LLP, 2300 West Sahara Avenue, Suite 1200, Las Vegas, NV 89102 (Attn: Ryan J. Works; rworks@mcdonaldcarano.com), counsel to the Official Committee of Unsecured Creditors;
- e. Berger Singerman LLP, 1450 Brickell Avenue, Suite 1900, Miami, FL 33131 (Attn: Jordi Gusó; JGuso@bergersingerman.com), and Sylvester & Polednak, Ltd., 1731 Village Center Circle, Las Vegas, NV 89134 (Attn: Jeffrey R. Sylvester; Jeff@SylvesterPolednak.com); counsel to DIP lender CKDL Credit, LLC;
- f. Morrison & Foerster LLP, 250 West 55th Street, New York, NY 10019-9601 (Attn: Andrew Kissner; akissner@mofo.com; Gary Lee; glee@mofo.com), and Shea Larsen, 1731 Village Center Circle, Suite 150, Las Vegas, NV 89134 (Attn: James Patrick Shea; jshea@shea.law; Bart K. Larsen; blarsen@shea.law; Kyle M. Wyant; kwyant@shea.law); counsel to Enigma Securities Limited; and
- g. Cleary Gottlieb Steen & Hamilton LLP, One Liberty Plaza, New York, NY 10006, (Attn: Sean A. O’Neal; soneal@cgsh.com; Jane VanLare; jvanlare@cgsh.com), and Snell & Wilmer L.L.P., 3883 Howard Hughes Parkway, Suite 1100, Las Vegas, NV 89169 (Attn: Robert R. Kinase; rkinase@swlaw.com); counsel to Genesis Global Holdco, LLC.

1 9. Pursuant to the Interim Compensation Procedures Order, each Notice Party will have
2 twenty (20) days after service (or the next business day if the 20th day is not a business day) of a
3 Monthly Fee Application (the “Objection Deadline”), to object to the requested fees and expenses in
4 accordance with the procedures described in subparagraph (b) set forth on page three of the Interim
5 Compensation Procedures Order.

6 10. If no objections are raised on or before the Objection Deadline, Applicant shall file a
7 certificate of no objection with the Court, after which Debtor shall be authorized to pay to Applicant
8 an amount equal to 80 percent of the fees and 100 percent of the expenses incurred during the period
9 covered by Applicant’s Monthly Fee Application (the “Aggregate Monthly Amount”). Applicant
10 shall draw down on the Retainer in the Aggregate Monthly Amount. To the extent that the Retainer
11 is extinguished by payment in connection with the April Statement and this Statement, Debtor shall
12 be authorized to pay to Applicant the balance of the Aggregate Monthly Amount as contemplated
13 herein.

14 11. If an objection is properly filed before the Objection Deadline, Applicant shall file a
15 certificate of no objection with the Court with respect to the fees and expenses, if any, that are not
16 subject to objection (the “Undisputed Fees” and “Undisputed Expenses”), after which Debtor shall
17 be authorized to pay to Applicant an amount equal to 80 percent of the Undisputed Fees and 100
18 percent of the Undisputed Expenses incurred during the period covered by Applicant’s Monthly Fee
19 Application (the “Aggregate Monthly Undisputed Amount”). Applicant shall draw down on the
20 Retainer in the Aggregate Monthly Undisputed Amount. To the extent that the Retainer is
21 extinguished by payment in connection with the April Statement and this Statement, Debtor shall be
22 authorized to pay to Applicant the balance of the Aggregate Monthly Undisputed Amount as
23 contemplated herein.

12. Applicant acknowledges that the interim payment of compensation and reimbursement of expenses sought in this Statement does not constitute a request for final allowance of such compensation and reimbursement of expenses. At the conclusion of the Chapter 11 Case, Applicant will seek final allowance of the fees charged and expenses incurred for the entirety of the Chapter 11 Case, and any interim fees and expenses received during the course of the Chapter 11 Case will be credited against such fees and expenses that are allowed on a final basis.

13. Neither Applicant nor any member of B&H has any agreement or understanding of any kind to divide, pay over, or share with any other person, except as among the members of B&H, any portion of the fees or expenses to be awarded pursuant to this Statement.

Dated this 30th day of June 2023.

BAKER & HOSTETLER LLP

By: /s/Robert A. Musiala
 Robert A. Musiala
 One North Wacker Drive
 Suite 4500
 Chicago, IL 60606
 Telephone: 312.416.6200
 Facsimile: 312.416.6201
 Email: rmusiala@bakerlaw.com
 Michael A. Sabella
 45 Rockefeller Plaza
 New York, NY 10111
 (212) 589-4200
 msabella@bakerlaw.com

Regulatory Counsel for Debtor

Respectfully submitted by:

FOX ROTHSCHILD LLP

By: /s/Brett A. Axelrod
 BRETT A. AXELROD, ESQ.
 Nevada Bar No. 5859
 1980 Festival Plaza Drive, Suite 700
 Las Vegas, Nevada 89135
Counsel for Debtor

EXHIBIT A**Summary of B&H Professionals and Paraprofessionals****May 1, 2023 through May 30, 2023**

<u>Attorney</u>	<u>Hourly Rate</u>	<u>Application Hours</u>	<u>Total Fees</u>
Jonathan A. Forman – Partner	\$1,150.00	35.30	\$40,595.00
Christopher W. Lamb - Associate	\$500.00	21.20	\$10,600.00
Robert A. Musiala – Partner	\$900.00	64.20	\$57,780.00
Veronica Reynolds – Associate	\$725.00	66.10	\$47,922.50
Michael A. Sabella – Counsel	\$970.00	6.20	\$6,014.00
Subtotal		193.00	\$162,911.50

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EXHIBIT B
Detailed Schedule of Time Expended by Professionals and Paraprofessionals
and Detailed Schedule of Expenses Incurred

FOX ROTHSCHILD LLP
1980 Festival Plaza Drive, Suite 700
Las Vegas, Nevada 89135
(702) 262-6899
(702) 597-5503 (fax)

BakerHostetler

Cash Cloud Inc.
D/B/A Coin Cloud
10190 Covington Cross Dr
Las Vegas, NV 89144

Invoice Date: 06/29/23
Invoice Number: 51163257
B&H File Number: 12918/128018/000001
Taxpayer ID Number: 34-0082025
Page 1

Regarding: Regulatory Compliance Services

For professional services rendered through May 31, 2023

BALANCE FOR THIS INVOICE DUE BY 07/29/23 \$ 163,423.18
All amounts are in United States Dollars

Remittance Copy

Please include this page with payment

Invoice No: 51163257

Firm Contact Information

Katie Young
(312) 416-6226
kyoung@bakerlaw.com

<p>Please Remit To: Baker & Hostetler LLP P.O. Box 70189 Cleveland, OH 44190-0189</p>	<p>FOR WIRE REMITTANCES: Baker & Hostetler LLP KeyBank, N.A., Cleveland, OH Account No: <u>SWIFT Code:</u></p>
<p>Reference Invoice No: 51163257</p>	<p>Email the "Remittance Copy" to bakerlockbox@bakerlaw.com</p>

BakerHostetler

Cash Cloud Inc.
D/B/A Coin Cloud
10190 Covington Cross Dr
Las Vegas, NV 89144

Invoice Date: 06/29/23
Invoice Number: 51163257
B&H File Number: 12918/128018/000001
Taxpayer ID Number: 34-0082025
Page 2

Regarding: Regulatory Compliance Services

For professional services rendered through May 31, 2023

Fees \$ **162,911.50**

Expenses and Other Charges

Automated Research (E106) 511.68

Total Expenses \$ **511.68**

BALANCE FOR THIS INVOICE DUE BY 07/29/23 IN USD \$ **163,423.18**

Baker&Hostetler LLP

Atlanta Chicago Cincinnati Cleveland Columbus Costa Mesa Dallas Denver Houston
Los Angeles New York Orlando Philadelphia San Francisco Seattle Washington, DC Wilmington

Date	Name	Description	Hours	Amount
05/03/23	Forman, Jonathan A.	Review background materials to understand Florida Office of Financial Regulation's order and client's response strategy.	1.00	1,150.00
05/03/23	Musiala, Robert A.	Communications with C McAlary and B Axelrod regarding Florida Office of Financial Regulation suspension order.	0.50	450.00
05/03/23	Musiala, Robert A.	Review and analyze Florida Office of Financial Regulation suspension order and related materials.	1.10	990.00
05/03/23	Reynolds, Veronica	Analyze and summarize Florida complaint and related documents.	1.40	1,015.00
05/04/23	Musiala, Robert A.	Review disclosure filings, discuss with M Sabella.	0.30	270.00
05/04/23	Sabella, Michael A.	Correspondence with Debtor's counsel regarding supplemental verified statement and hearing.	0.20	194.00
05/04/23	Sabella, Michael A.	Discussion with Mr. Musiala regarding draft supplemental verified statement and revisions to same.	0.30	291.00
05/08/23	Musiala, Robert A.	Review Florida Office of Financial Regulation suspension order documentation.	0.50	450.00
05/08/23	Musiala, Robert A.	Update response letter to CKDL Credit LLC, send to C McAlary and B Axelrod for review.	0.30	270.00
05/08/23	Musiala, Robert A.	Draft Florida Office of Financial Regulation summary slide, send to C McAlary and B Axelrod for review.	0.60	540.00
05/08/23	Musiala, Robert A.	Review and update Florida Office of Financial Regulation internal talking points.	0.80	720.00
05/09/23	Forman, Jonathan A.	Review background materials on Florida Office of Financial Regulation consent order.	1.60	1,840.00
05/09/23	Forman, Jonathan A.	Review and reply to emails from Mr.	0.50	575.00

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Date	Name	Description	Hours	Amount
		Musiala and Ms. Reynolds regarding meeting slide and confidentiality protections.		
05/09/23	Forman, Jonathan A.	Call with Mr. Musiala and Ms. Reynolds regarding meeting strategy with Florida Office of Financial Regulation.	1.00	1,150.00
05/09/23	Lamb, Christopher W.	Research Florida law and Statutes that protect information from disclosure similar to a FOIA request, including Florida's Sunshine law.	1.80	900.00
05/09/23	Musiala, Robert A.	Communications with C. Lamb regarding confidentiality research.	0.40	360.00
05/09/23	Musiala, Robert A.	Meet with C. McAlary, B. Axelrod, K. Naringahon, V. Reynolds to discuss Florida Office of Financial Regulation meeting, debrief with V Reynolds.	1.50	1,350.00
05/09/23	Musiala, Robert A.	Finalize materials for Florida Office of Financial Regulation meeting.	2.80	2,520.00
05/09/23	Musiala, Robert A.	Review Florida Office of Financial Regulation materials, discuss with J. Forman and V. Reynolds.	1.00	900.00
05/09/23	Musiala, Robert A.	Communications with client regarding information requests.	0.50	450.00
05/09/23	Reynolds, Veronica	Analyze scope of confidentiality communications under Florida law to facilitate research of C. Lamb.	0.40	290.00
05/09/23	Reynolds, Veronica	Confer with, and take notes during, Coin Cloud call and confer with R. Musiala regarding the same.	1.50	1,087.50
05/09/23	Reynolds, Veronica	Confer with R. Musiala and J. Forman regarding Coin Cloud Florida Office of Financial Regulation suspension order and administrative complaint.	1.00	725.00
05/10/23	Forman, Jonathan A.	Emails with team in preparation for meeting with Florida Florida Office of Financial Regulation.	0.60	690.00

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Date	Name	Description	Hours	Amount
		currency product offerings for draft Florida Office of Financial Regulation letter.		
05/15/23	Forman, Jonathan A.	Review memo outlining meeting with Florida Office of Financial Regulation to guide response strategy.	0.40	460.00
05/15/23	Forman, Jonathan A.	Call with team to discuss Florida Office of Financial Regulation response strategy.	1.10	1,265.00
05/15/23	Lamb, Christopher W.	Phone conference with Mr. Musiala, Mr. Forman and Ms. Reynolds regarding the drafting of a letter in response to the Florida Office of Financial Regulation.	1.10	550.00
05/15/23	Lamb, Christopher W.	Research regarding the use of intermediary throughout the Florida Statutes.	0.10	50.00
05/15/23	Musiala, Robert A.	Review and reply to emails from B Axelrod and K Naringahon regarding responses to state financial regulators.	0.70	630.00
05/15/23	Musiala, Robert A.	Meet with J Forman, V Reynolds, C Lamb to discuss Florida Office of Financial Regulation Response.	1.10	990.00
05/15/23	Reynolds, Veronica	Summarize Coin Cloud's virtual currency product offerings, research and analyze relevant points of law, and draft letter response to Florida Office of Financial Regulation regarding Suspension Order accordingly.	1.50	1,087.50
05/15/23	Reynolds, Veronica	Confer with R. Musiala, J. Forman and C. Lamb regarding Coin Cloud Florida Office of Financial Regulation response.	1.10	797.50
05/16/23	Forman, Jonathan A.	Review product description to advise on response to Florida Florida Office of Financial Regulation and provide comments to team.	0.90	1,035.00
05/16/23	Lamb, Christopher W.	Review Coin Cloud's website and terms of service and analyze the applicability of money transmitter licensure requirements to their services.	1.90	950.00

Date	Name	Description	Hours	Amount
		Regulation response and communications with J. Forman regarding same.		
05/22/23	Musiala, Robert A.	Discuss Florida Office of Financial Regulation response with A Noll.	0.30	270.00
05/22/23	Reynolds, Veronica	Research administrative and money services business laws, and relevant legislative history, and summarize relevant facts and law for inclusion in draft letter to Florida Office of Financial Regulation.	3.80	2,755.00
05/23/23	Forman, Jonathan A.	Revise draft response focusing on introduction and legal section.	4.60	5,290.00
05/23/23	Lamb, Christopher W.	Attend Teams Conference Call with Mr. Musiala, Ms. Naringahon, and Mr. McAlary regarding the Florida Office of Financial Regulation Draft Response.	0.80	400.00
05/23/23	Lamb, Christopher W.	Correspondence with Mr. Musiala regarding the Office of Financial Regulation Draft Response Letter teams conference.	0.10	50.00
05/23/23	Musiala, Robert A.	Draft Florida Office of Financial Regulation response.	3.00	2,700.00
05/23/23	Musiala, Robert A.	Meet with C McAlary, K Naringham and C Lamb to discuss draft Florida Office of Financial Regulation response.	0.80	720.00
05/23/23	Reynolds, Veronica	Analyze additional policy documentation provided by Coin Cloud, summarize factual allegations in Coin Cloud's suspension order, Coin Cloud customer refund narratives and Coin Cloud product and service offerings, for inclusion in Florida Office of Financial Regulation letter.	4.30	3,117.50
05/23/23	Reynolds, Veronica	Research administrative and summarize relevant money services business substantive and procedural provisions, and relevant legislative history, and summarize for inclusion in draft letter to Florida Office of Financial Regulation.	3.10	2,247.50
05/24/23	Forman, Jonathan A.	Review and edit draft response to Florida	3.40	3,910.00

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Date	Name	Description	Hours	Amount
		Office of Financial Regulation suspension order.		
05/24/23	Forman, Jonathan A.	Call with Mr. Musiala regarding draft response to Florida Office of Financial Regulation suspension order.	0.60	690.00
05/24/23	Lamb, Christopher W.	Research what procedural relief Coin Cloud can seek regarding the Office of Financial Regulation Suspension Order.	2.00	1,000.00
05/24/23	Lamb, Christopher W.	Review and analyze the Emergency Suspension Order for factual arguments.	1.50	750.00
05/24/23	Lamb, Christopher W.	Review the Florida Creditor Exhibit for the Response Letter to the Florida Office of Financial Regulation.	0.80	400.00
05/24/23	Lamb, Christopher W.	Teams call with Mr. Musiala and Ms. Reynolds regarding the drafting of a response letter to Florida's Office of Financial Regulation.	0.50	250.00
05/24/23	Musiala, Robert A.	Discuss draft Florida Office of Financial Regulation response with J Forman.	0.60	540.00
05/24/23	Musiala, Robert A.	Discuss draft Florida Office of Financial Regulation response with V. Reynolds and C. Lamb.	0.50	450.00
05/24/23	Musiala, Robert A.	Draft Florida Office of Financial Regulation response.	5.30	4,770.00
05/24/23	Reynolds, Veronica	Revise Coin Cloud product and services summary, summarize applicable provisions of consumer terms of use, and anti-money laundering processes and procedures, for letter to Florida Office of Financial Regulation.	2.70	1,957.50
05/24/23	Reynolds, Veronica	Confer with R. Musiala and C. Lamb regarding Florida Office of Financial Regulation response and research concerning the same.	0.50	362.50
05/25/23	Musiala, Robert A.	Draft Florida Florida Office of Financial Regulation response.	4.40	3,960.00

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Date	Name	Description	Hours	Amount
05/25/23	Reynolds, Veronica	Summarize applicable provisions of money services business laws, and judicial interpretation thereof, in Oregon to prepare for response to the Oregon Division of Financial Regulation and revise letter in its entirety.	2.60	1,885.00
05/26/23	Lamb, Christopher W.	Review and revise the Draft Response to the Florida Office of Financial Regulation.	1.20	600.00
05/26/23	Reynolds, Veronica	Analyze and summarize Florida Office of Financial Regulation's authority and powers, and statutory suspension order pleading standard, with regard to suspension order, and draft arguments in support of Coin Cloud for letter to Florida Office of Financial Regulation.	4.10	2,972.50
05/26/23	Reynolds, Veronica	Research and summarize relevant administrative money services business and administrative statutory law and judicial interpretation and money services business amendment legislative history for purposes of revising letter to Florida Office of Financial Regulation.	2.30	1,667.50
05/27/23	Reynolds, Veronica	Revise draft Florida Office of Financial Regulation letter pursuant to revision and comment from R. Musiala.	3.50	2,537.50
05/28/23	Forman, Jonathan A.	Review and edit draft letter responding to Florida Office of Financial Regulation suspension order.	3.10	3,565.00
05/28/23	Musiala, Robert A.	Draft Florida Office of Financial Regulation response.	3.50	3,150.00
05/28/23	Reynolds, Veronica	Conduct further research under Florida substantive and administrative rules, laws and regulations, and revise Florida Office of Financial Regulation letter accordingly.	4.30	3,117.50
05/29/23	Musiala, Robert A.	Draft Florida Office of Financial Regulation response.	9.30	8,370.00
05/29/23	Sabella, Michael A.	Correspondence with Mr. Musiala regarding	0.10	97.00

Baker&Hostetler LLP

Atlanta

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Philadelphia

San Francisco

Seattle

Washington, DC

Wilmington

